

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED HEALTHCARE SERVICES, §
INC., UNITEDHEALTHCARE §
INSURANCE COMPANY, §
§
Plaintiffs, §
§
v. §
§
NEXT HEALTH, LLC, et al., § Civil Action No. 3:17-cv-0243-X-BT
§
§
Defendants. §

FINAL JUDGMENT

Plaintiffs United Healthcare Services, Inc. and UnitedHealthcare Insurance Company (collectively, “UHC”) sued Defendant Next Health LLC (“Next Health”), a collection of its laboratories and pharmacies, and various associated individuals,¹ bringing a variety of claims related to Next Health’s alleged multi-million-dollar healthcare fraud. After a six-year battle, UHC moved for partial summary judgment and case-ending sanctions, and the Court granted both motions.²

¹ The complaint originally named Next Health; Medicus Laboratories LLC; US Toxicology LLC; American Laboratories Group LLC; United Toxicology LLC; Erik Bugen; and Kirk Zajac. Doc. 1 at 1. The second amended complaint named the same defendants and added Executive Healthcare LLC; Apex Pharma LLC; Dallasite, Inc.; Total Pharma LLC; True Labs LLC; Semyon Narosov; Jeremy Rossel; Rob Close; Amir Mortazavi; Mike Austin; Nick Austin; Cary Rossel; Jen Sears; Alle Byeseda; Josh Ihde; Josh Daniel; Arvin Zeinali; and Yan Narosov. Doc. 584 at 1. Defendants Semyon Narosov, Jeremy Rossel, Amir Mortazavi, Mike Austin, Nick Austin, Cary Rossel, Jen Sears, Alle Byeseda, Josh Ihde, Josh Daniel, Arvin Zeinali, Yan Narosov Kirk Zajac, Alle Byeseda, and Erik Bugen have since been terminated or dismissed from the suit.

² Doc. 738.

The Court granted case-ending sanctions against Next Health and its collective of licensed laboratories and pharmacies (with Next Health, the “Entity Defendants”), struck their pleadings, and granted default judgment against them.³ The Court also granted summary judgment for UHC on its fraud claim against Next Health and a group of labs (without Next Health, the “Lab Defendants”).⁴ UHC then moved for default judgment on its fraud claim against the lone remaining defendant, Rob Close, which the Court granted.⁵

Because the amount UHC seeks in damages from Close, Next Health, and the Lab Defendants for its fraud claim is “a liquidated sum or one capable of mathematical calculation,” the Court may take as true UHC’s allegations regarding damages and forgo an evidentiary hearing.⁶ Accordingly, the Court **ORDERS** the following defendants to pay the following amounts to UHC for its fraud claim:

1. \$47,728,411 against Rob Close, Next Health, and United Toxicology, LLC jointly and severally;
2. \$21,105,240 against Rob Close, Next Health, and US Toxicology, LLC, jointly and severally;
3. \$6,347,257 against Rob Close, Next Health, and Medicus Laboratories, LLC, jointly and severally;
4. \$14,282,441 against Rob Close, Next Health, and American Laboratories Group, LLC, jointly and severally; and

³ The Entity Defendants are Next Health; United Toxicology, LLC; US Toxicology, LLC; Medicus Laboratories, LLC; American Laboratories Group, LLC; True Labs, LLC; Apex Pharma, LLC; Executive Healthcare, LLC; Total Pharma, LLC; and Dallasite, Inc.

⁴ The Lab Defendants are United Toxicology, LLC; US Toxicology, LLC; Medicus Laboratories, LLC; American Laboratories Group, LLC; and True Labs, LLC.

⁵ Doc. 749.

⁶ *James v. Frame*, 6 F.3d 307, 310 (5th Cir. 1993); FED. R. CIV. PROC. 55(b)(1).

5. \$788,739 against Rob Close, Next Health, and True Labs LLC, jointly and severally.⁷

Additionally, UHC has alleged that the remaining Entity Defendants caused mathematically certain damages through their fraud, and it has introduced evidence showing the specific amounts:

1. \$16,321,766.84 against Executive Healthcare (d/b/a The Apothecary Shop);
2. \$8,742,226.90 against Dallasite (d/b/a Pinnacle Pharmacy);
3. \$6,706,525.77 against Total Pharma (d/b/a Lot Pharma); and
4. \$6,265,127.52 against Apex Pharma.⁸

Pursuant to its previous order, the Court **ENTERS** default judgment against Rob Close, Next Health, and the Lab Defendants in the amount of \$90,252,091, to be paid as set forth above, and **ENTERS** default judgment in the amount of \$128,287,738.03 against the Entity Defendants, jointly and severally.

UHC stated that it “will forego any additional attorneys’ fees to which it might have otherwise been entitled in this . . . action,” so the Court awards no attorney’s fees to UHC.⁹

IT IS SO ORDERED this 27th day of June, 2023.



BRANTLEY STARR
UNITED STATES DISTRICT JUDGE

⁷ Confidential UHC Exhibit 1 (physical document filed under seal with the Court per Docs. 724, 737); Doc. 584 at 130.

⁸ Confidential UHC Exhibits 485731–34 (physical document filed under seal with the Court per Docs. 745, 748); Doc. 584 at 130.

⁹ Doc. 742 at 4.